



CONSIDERATIONS WHEN SELECTING MA COMPLIANCE SERVICES

NAMA has developed this Resource to help members consider various factors when selecting external compliance professionals, if they have determined such assistance is needed. This is not legal advice.

Know Your Needs

Determine your external compliance service needs. For instance:

- Does the firm need an attorney to assist with its needs or can the work be completed by a compliance firm that may not have attorneys?
- How much engagement does the firm need with an external compliance provider?
 - Annual review and updates to WSPs, compliance manuals and other documentations
 - Ongoing assistance to draft compliance procedures on new and outstanding Rules
 - Assistance with making filings at the MSRB and SEC
 - Review of contract templates for regulatory requirements
 - Review of individual contracts for new/existing clients
 - Ongoing need for legal advice regarding conflicts of interest
 - Ongoing need for legal advice complying with regulatory requirements
 - Ongoing need for practical (non-legal) advice complying with regulatory requirements
 - Assistance with other business lines
 - In house compliance training
 - Other needs
 - Ability to access legal and/or compliance assistance as needed
- Does the firm need or potentially need help with an SEC exam?
- Does the firm need or potentially need help with an SEC enforcement inquiry?

Considerations When Choosing a Provider

Questions to Ask Prospective Compliance Providers. For instance:

- Can the provider meet your firm's needs?
- Does the provider have experience with Municipal Advisor compliance matters, SEC MA exams and enforcement actions (if needed)?
- Does the compliance provider have experience with firms similar to yours?
- Does the compliance provider have any conflicts that would impair the advice and services they provide your firm?
- How does the compliance provider assess fees – flat, hourly, other?
- Does the compliance provider have access to other professionals (e.g., attorneys) if needed?
- What existing compliance documentation does the provider need from the MA firm?
- What are the key components in a contract between the compliance provider and MA firm?
 - Timing, length of contract
 - Ability to adjust contract as needed
 - Charges and fee arrangements
 - Other key components